

Remarks by Secretary of the Treasury Janet L. Yellen at the G20 Meeting: High-Level Seminar on Strengthening Global Health Architecture

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As prepared for delivery

Thank you to our Indonesian hosts for arranging this seminar to advance our joint efforts to strengthen the global health architecture. We all are aware of the terrible human and economic toll that the pandemic has wrought. And we are not yet on the other side of this pandemic.

The pandemic has demonstrated that we must work collectively to address health threats, or no country will be safe. The fates of our people—and economies—are intertwined.

We have also now clearly seen that public health is a critical pillar of the economy. We may have taken this for granted as life expectancies rose and medical advances were made over the past decades. But the pandemic reduced life expectancy for many countries across the globe, and in some—like my own—for the first time since World War II. We must move forward to build a stronger global health architecture.

We have work to do to both complete the current recovery and invest in the resilience of the global health infrastructure. Doing so will set the global economy on a path toward more enduring growth and prosperity and will have us better prepared for the next health shock.

Our most immediate goal is to complete what we have already started: we must end this pandemic as a matter of utmost urgency. We must and can ensure that every country has the access, the means, and the capacity to vaccinate their populations.

We need strong coordination among national governments, multilateral institutions, and bilateral partners so that vaccine supplies quickly get to where they are needed and, once they are there, that the capabilities and resources are in place to get vaccines into arms.

The Multilateral Leaders Task Force has a critical role here. The Task Force has compiled data on vaccination gaps. This is helpful, but only a first step. Now we need to fill the gaps identified by the data as well as identify and overcome the obstacles to doing so. The Task

Force should articulate clear and actionable steps to improve vaccine deployment so that all partners—national governments, multilateral institutions, and bilateral agencies—know what they need to do to quickly turn vaccines into vaccinations.

In this regard, we ask the Task Force to deliver a report to health and finance ministers that provides a detailed, country-by-country assessment of the work done so far by all to advance both vaccine supply and vaccination. The report should identify successes, challenges, and proposed remedies to those challenges to meet vaccination targets. We welcome the World Bank's agreement to convene a High-Level Meeting on Vaccine Deployment during the Spring Meetings, so that we advance this initiative with more clarity about the next required actions.

While vaccines are the focus, the COVID response is also about increasing the availability of diagnostics, therapeutics, and personal protective equipment.

The international community has stepped up to address COVID-19. The United States is the largest contributor to ACT-A, providing more than \$6 billion in financing—and hundreds of millions of vaccine donations. But our collective efforts have not been enough. We urge all G20 partners to contribute to this collective effort to end the pandemic.

Beyond the immediate response, we must come together to make sure we are much better prepared next time. We know that this will not be the last pandemic. We must act urgently to strengthen the global health architecture so that we have the tools to prevent, prepare for, and respond to future health crises.

To be better prepared, we need to create a forum for strong health and finance collaboration, which was missing before COVID-19. The G20 Finance-Health Task Force is a good starting point to explore more systematic and formal cooperation.

Through this forum, finance and health ministries from around the world can come together to discuss issues related to pandemic prevention, preparedness, and response. This will be critical in detecting and containing the next deadly pathogen, so that it doesn't spread to become a regional or global pandemic, devastating our people and our economies. This forum will also better synchronize health policy prioritization and finance decisions, yielding much greater results than our efforts before COVID-19. It will also bring in voices from regional groups to incorporate diverse and often underrepresented perspectives to the global conversation.

I look forward to the Finance-Health Task Force bringing forward concrete recommendations later this year.

To complement our stronger coordination, we must also focus on mobilizing the funding needed to address gaps in the system. We have existing tools, and the World Bank and WHO will soon report to the G20 on the financing gaps in the current health architecture. But experts have already been loud and clear that gaps exist, and that the financing needs are undeniable. Estimates of the need run to \$75 billion over the next five years. However, this is far less than the economic cost of the current pandemic.

We support strengthening existing initiatives, like those of the multilateral development banks, and the creation of the new IMF Resilience and Sustainability Trust. But these initiatives are not suited to all situations, and critical gaps will remain.

This is why we urge the development of a financial intermediary fund hosted at the World Bank.

Last year, the G20 High Level Independent Panel recommended this type of fund to channel the large amount of investment needed to reduce global vulnerabilities to future pandemics. I know some have reservations about this proposal, so let me describe how I see it coming together.

First, the purpose of the Fund is to make immediate investments to prevent and prepare for future health crises. We don't see this as a pool of money that sits idly waiting to respond to the next pandemic. Rather, it will be used in the near term to incentivize countries to make investments to fill existing gaps in their ability—and our collective capacity—to prevent and prepare for the next crisis, as part of overall health system strengthening. For example, the Fund could help countries invest in disease detection and surveillance systems, research laboratories, or strengthen their healthcare workforces.

Second, the Fund will not create a new multilateral organization that attempts to execute projects independently. Instead, it will be a new financing tool to flexibly channel and incentivize funding for investments in pandemic preparedness at the country, regional, and global levels through existing health and financial institutions.

For example, the Fund may channel funds through World Bank or WHO projects that are specifically geared toward pandemic prevention, preparedness, and response efforts.

In this way, the Fund will complement and support the role of the WHO—rather than further fragment the landscape.

The Fund's flexibility will also allow the possibility of mobilizing resources from non-government sources for pandemic preparedness beyond what the current architecture

supports.

And finally, I want to make clear that the Fund should be designed to be additional; it should not draw resources away from separate efforts to strengthen the WHO. We agree with other G20 members that we must commit the necessary resources to strengthen the WHO and the existing global health institutions.

It is our job now to identify significant financing to address the gaps in the current system—we are finance ministers after all. The World Bank's gaps analysis and work of the Finance-Health Task Force can help inform the prioritization of investments that the Fund will eventually make. And we should begin our work now to set up this Fund so that it is ready to go as soon as possible.

I urge all G20 members to join in the effort to develop this financial intermediary fund in the coming months. While contributions will be voluntary, those that are able to do so should step up to finance these investments in our global health security.

While the human and economic trauma of the pandemic is fresh in our minds, we have a political window to act to address the deficiencies in our global health architecture, made all too apparent by the current crisis. We all share this interest, and the cost of not doing so could be devastating.

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